



NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

5 CFR Part 6901

[Docket Number - 2014-0001]

RIN 2700-AE03

Supplemental Standards of Ethical Conduct for Employees of the National Aeronautics and Space Administration

AGENCY: National Aeronautics and Space Administration (NASA).

ACTION: Final rule.

SUMMARY: NASA, with the concurrence of the Office of Government Ethics (OGE), has adopted as final, without change, an interim rule amending the Supplement Standards of Ethical Conduct for Employees of the National Aeronautics and Space Administration.

DATES: Effective Date: [INSERT DATE OF PUBLICATION IN THE FEDERAL REGISTER].

FOR FURTHER INFORMATION CONTACT: Adam F. Greenstone, Alternate Designated Agency Ethics Official, NASA Office of the General Counsel, 300 E. St. SW, Washington, DC 20546, 202.358.1775, adam.f.greenstone@nasa.gov.

SUPPLEMENTARY INFORMATION:

I. Background

NASA published an interim rule in the **Federal Register** at 79 FR 7565 on February 10, 2014, to amend the Supplemental Standards of Ethical Conduct for Employees of the National Aeronautics and Space Administration. The rule permitted student interns to seek prior approval to engage in outside employment with a NASA contractor, subcontractor, grantee, or party to a NASA agreement in connection with work performed by that entity or under that agreement.

The amendments clarified the types of outside employment activities that require approval; streamlined the process for approval; eliminated obsolete position titles; and extended the permissible time period of approval. The interim rule became effective on February 10, 2014.

One respondent submitted a comment on the interim rule.

II. Discussion and Analysis

The NASA Office of General Counsel reviewed the comment and considered it in development of the final rule.

A. Summary of Significant Changes

No changes were made as a result of the public comments.

B. Analysis of Public Comments

Comment: The respondent commented that this was a positive regulatory change that would fix the predicament of student interns at NASA being too broadly restricted from engaging in outside employment, and increase interest in NASA's internships.

Response: The comment supports NASA's regulatory amendments in the interim rule.

Previously, student interns generally were barred from employment with an entity performing work under a NASA contract, grant, or Space Act agreement in connection with that work. In making this regulatory change, NASA concluded that the previous prohibition was unnecessarily broad, and that the integrity of NASA's operations will not be diminished by liberalizing the current prohibition to permit student interns to seek approval to engage in outside activities with these entities. Student interns typically perform basic research functions without substantial involvement in NASA decisions that affect outside entities, and often spend extended periods in leave without pay status during semesters when they carry a full-time academic workload. It is also vital that students in STEM (science, technology, engineering, math) disciplines have full access to NASA development opportunities to maintain U.S. leadership in these fields. For these

reasons, NASA, with OGE's concurrence, retained but liberalized this provision in a revised paragraph (c) of § 6901.103 to permit management to approve such activities of student interns when NASA ethics officials determine that the activity would comply with Federal ethics laws and OGE regulations, to which employed student interns remain subject.

III. Regulatory Analysis Section

Regulatory Flexibility Act

The Regulatory Flexibility Act (5 U.S.C. 601 *et seq.*) generally requires an agency to conduct a regulatory flexibility analysis of any rule subject to notice and comment rulemaking requirements, unless the agency certifies that the rule will not have a significant economic impact on a substantial number of small entities. This rule would not have a significant economic impact on a substantial number of small entities because this rule only pertains to NASA employees.

Executive Order 12866 and Executive Order 13563

Executive Orders 12866 and 13563 direct agencies to assess all costs and benefits of available regulatory alternatives and, if the regulation is necessary, to select the regulatory approach that maximizes net benefits. This rule is not a significant regulatory action under section 3(f) of Executive Order 12866, Regulatory Planning and Review, because this rule relates solely to the internal operations of NASA. Therefore, the Office of Management and Budget did not review this rule.

Paperwork Reduction Act

The Paperwork Reduction Act (44 U.S.C. chapter 35) does not apply to this rule because it does not contain any information collection requirement that requires approval of the Office of Management and Budget.

Small Business Regulatory Enforcement Fairness Act

This rule relates to agency management or personnel, and therefore the Small Business Regulatory Enforcement Fairness Act of 1996 (5 U.S.C. 801 *et seq.*) does not cover the rule.

Executive Order 13132, Federalism

This rule will not have substantial direct effects on the States, on the relationship between the national government and the States, or on the distribution of power and responsibilities among the various levels of government. Therefore, in accordance with Executive Order 13132, Federalism, NASA has determined that the rule does not have sufficient federalism implications to warrant the preparation of a federalism summary impact statement.

Unfunded Mandates Reform Act

For the purposes of the Unfunded Mandates Reform Act of 1995 (2 U.S.C. chapter 25, subchapter II), this rule would not significantly or uniquely affect small governments and would not result in increased expenditures by State, local, and tribal governments, or by the private sector, of \$100 million or more (as adjusted for inflation) in any one year.

List of Subjects in 5 CFR Part 6901

Ethical conduct.

Interim Rule Adopted as Final Without Change

Accordingly, the interim rule amending 5 CFR part 6901, which was published in the **Federal Register** at 79 FR 7565 on February 10, 2014, is adopted as a final rule without change.

Dated: August 13, 2014.

Charles F. Bolden Jr.
Administrator, National Aeronautics and Space Administration.

Walter M. Shaub, Jr.
Director, United States Office of Government Ethics.

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